Foreign Agricultural Service
GAIN Report
Global Agriculture Information Network

Required Report - public distribution

Date: 12/2/2002

GAIN Report #BR2027

Brazil

Citrus

Annual

2002

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Report Highlights: Total Brazilian MY 2003/04 orange crop is forecast at 405 Mbx, down 9 percent from current crop, assuming normal weather conditions prevail. The Sao Paulo commercial area should amount for 320 Mbx, an 11 percent reduction from the current crop (360 Mbx). Major reasons that should affect the expected reduction in Sao Paulo include the drop of the flowers and fruits after the first blossoming due to dry and hot weather in October, the off-year of the biennial cycle of the Hamlim and Valencia varieties, the expected decrease in the number of bearing trees and disease related problems such as canker and CVC. Total FCOJ production for MY 2003/04 is projected at 1.086 mmt, 65 Brix, down 220,000 mt from the current season, due to lower expected availability of fruits for processing. MY 2002/03 FCOJ exports are estimated at 1.256 mmt, 65 Brix, a 17 percent increase from the previous MY.

Includes PSD changes: Yes
Includes Trade Matrix: No
Annual Report
Sao Paulo [BR3], BR

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FRESH ORANGES

PS&D Table

PSD Table						
Country	Brazil					
Commodity	Fresh Oranges		(HECTARES)(1000 TREES)(1000 MT)			
	Revised	2000	Preliminary	2001	Forecast	2002
	Old	New	Old	New	Old	New
Market Year Begin		07/2001		07/2002		07/2003
Area Planted	0	768700	0	765700	0	755700
Area Harvested	0	717800	0	699800	0	689800
Bearing Trees	0	207000	0	202000	0	200000
Non-Bearing Trees	0	19000	0	24000	0	24000
TOTAL No. Of Trees	0	226000	0	226000	0	224000
Production	14729	14729	17993	18197	0	16524
Imports	0	0	0	0	0	0
TOTAL SUPPLY	14729	14729	17993	18197	0	16524
Exports	122	122	122	61	0	102
Fresh Dom. Consumption	5100	5100	5222	5080	0	4998
Processing	9507	9507	12649	13056	0	11424
TOTAL DISTRIBUTION	14729	14729	17993	18197	0	16524

Production

PS&D Tables

The following tables provide data for Sao Paulo and total Brazilian fresh orange production, supply and demand (PS&D) for marketing years (MY) 2001/02, 2002/03 and 2003/04 (July-June).

Sao Paulo: Fresh Oranges PS&D (Jul-Jun) (1,000 ha, million trees & million 40.8 kg boxes)			
Item/Marketing Year	2001/02	2002/03	2003/04
(Bloom/Harvest)	(00/01)	(01/02)	(02/03)
Area Planted	583.0	580.0	570.0
Area Harvested	540.0	522.0	512.0
Bearing Trees	159.0	154.0	152.0
Non-Bearing Trees	15.0	20.0	20.0
Total Trees	174.0	174.0	172.0
Production	280.0	360.0	320.0
Exports	3.0	1.5	2.5
Domestic Consumption	51.0	48.5	47.5
Processing FCOJ	220.0	295.0	250.0
Processing NFC (exports)	6.0	15.0	20.0

Brazil: Fresh Oranges PS&D (Jul-Jun) (1,000 ha, million trees & million 40.8 kg boxes)			
Item/Marketing Year	2001/02	2002/03	2003/04
(Bloom/Harvest)	(00/01)	(01/02)	(02/03)
Area Planted	768.7	765.7	755.7
Area Harvested	717.8	699.8	689.8
Bearing Trees	207.0	202.0	200.0
Non-Bearing Trees	19.0	24.0	24.0
Total Trees	226.0	226.0	224.0
Total Production	361.0	446.0	405.0
Sao Paulo	280.0	360.0	320.0
Others	81.0	86.0	85.0
Exports	3.0	1.5	2.5
Domestic Consumption	125.0	124.5	122.5
Processing FCOJ	227.0	305.0	260.0
Sao Paulo	220.0	295.0	250.0
Others	7.0	10.0	10.0
Processing NFC (exports)	6.0	15.0	20.0

General

The Agricultural Trade Office (ATO)/Sao Paulo forecasts total Brazilian MY 2003/04 (Jul-Jun) orange crop at 405 million 40.8 kg boxes (Mbx), down 9 percent from current crop, provided typical weather conditions prevail from November 2002 to June 2003. The commercial area of the state of Sao Paulo and the western part of Minas Gerais should account for 320 Mbx, a 11 percent reduction from current crop, with the reminder coming from other Brazilian regions.

According to post contacts, major reasons that point to an expected reduction for the MY 2003/04 crop in the Sao Paulo commercial area include the drop of the flowers and fruits after the first blossoming in September/October 2002 due to dry and hot weather in October, the off-year of the biennial cycle of the Hamlim and Valencia varieties, the expected decrease in the number of bearing trees, disease related problems such as canker and Citrus Chlorosis Variegated (CVC). The first blossoming was not uniform and did not occur in all producing regions. The second and eventual third blossomings that are expected to come (first and second blossoming for those regions which did not blossom so far) and improved crop management due to favorable prices received by growers could partially offset the expected drop in the upcoming crop, if favorable weather conditions prevail in the growing regions. Note that it is still too early to forecast the MY 2003/04 and that more accurate numbers will be available only in April 2003.

The ATO/Sao Paulo estimate for the current crop (MY 2002/03) has been revised upward to 446 Mbx, up 5Mbx from the previous estimate, based on updated information from the Brazilian Geography and Statistics Institute (IBGE) for states other than Sao Paulo. The MY 2002/03 orange crop estimate for the commercial area of the state of Sao Paulo and western part of Minas Gerais remains unchanged at 360 Mbx. The average size of the fruits for the overall crop should not be significantly reduced even with the hot and dry weather in October, as fruit size is expected to recover somewhat during November and December. The harvest season has progressed and should be extended through December and mid-January. The quality of the fruit is reported to be good.

The Sao Paulo State Institute of Agricultural Economics (IEA) released the results of the sixth and last citrus crop survey (September 2002) for the 2001/02 crop. The 2001/02 São Paulo crop, for both commercial and non-commercial areas, is estimated at approximately 376.1 Mbx, up 48 Mbx from the 2000/01 crop estimate. Note that the IEA takes into account the entire state of São Paulo, while the ATO estimate considers only the commercial area of the state plus the western part of Minas Gerais

Crop Area and Tree Inventory

ATO/Sao Paulo forecasts total Brazilian orange area for MY 2003/04 at 755,700 hectares (ha), down 1 percent from the current crop, based on lower tree inventory and updated IBGE information. The commercial area in Sao Paulo and Minas Gerais should contribute 570,000 ha., a 10,000 ha. drop relatively to the MY 2002/03 estimate. Total Brazilian tree inventory is estimated at 224 million trees (200 million bearing trees and 24 million non bearing trees). The Sao Paulo commercial area tree inventory should be reduced to 152 million bearing trees, a drop of 2 million trees, while non bearing trees should remain stable at 20 million units. As reported by IEA in the final crop survey (September 2002) for the 2001/02 crop, the MY 2002/03 Sao Paulo state orange tree inventory is estimated at 211.6 million trees (188.2 million bearing and 23.4 million non bearing trees).

As reported by the Sao Paulo State Fund for the Defense of Citriculture (Fundecitrus), a total of 922 nurseries were inspected in October 2002. The results show that 853 nurseries were in operation. Unprotected nurseries, in which seedlings are kept without screened enclosures, represent 58 percent of the total in operation (495 units), showing a continuous trend toward protected nurseries, as a consequence of the new legislation related to seedlings (see BR1024 for further information). The number of inspected seedlings totaled 10,170,226 (3,661,784 from unprotected nurseries and 6,508,442 from protected nurseries).

Diseases

According to the 2002 field survey conducted by Fundecitrus in June and August, 38.3 percent of the sampled trees (1,486) in the Sao Paulo and western Minas Gerais commercial area show symptoms of Citrus Chlorosis Variegated (CVC). Results indicate that 10.4 percent of the sampled trees showed symptoms restricted to leaves (Grade 1), while 27.9 percent showed leaf and fruit symptoms (Grade 2). The north and northwest regions of the commercial area were the most affected by the disease, 55.6 and 41.3 percent of affected trees, respectively. Trees between 6 and 10 years of age were the most affected comprising 53.6 percent of the total for this age group. The results also show that trees under 2 years of age are less affected (2. % of total trees for this age group) by CVC, compared to previous years. The table shows the evolution of the disease from 1996 to 2002, as reported by Fundecitrus.

Citrus Chlorosis Variegated (CVC) - Estimated Prevalecence of Symptoms (percentage of total sample).

Severity	1996	1997	1998	1999	2000	2001	2002
Grade 1 1/	15.93	22.89	13.68	20.95	13.23	12.37	10.36
Grade 2 2/	6.17	9.39	7.55	15.13	20.8	24.07	27.92
Total	22.10	32.28	21.23	36.08	34.03	36.44	38.28

Source: Sao Paulo State Fund for Defense of Citriculture (FUNDECITRUS).
1/ Grade 1: plants with symptoms restricted to the leaves.
2/ Grade 2: plants with leaf and fruit symptoms

According to the 2002 citrus canker sampling survey, 0.11 percent of the sampled blocks show citrus canker, as opposed to 0.27 and 0.083 percent for 2000 and 2001, respectively. The evolution of citrus canker for 2002, as reported by Fundecitrus, follows. Cumulative 2002 (January-October) tree eradication for commercial groves (blocks) due to citrus canker is approximately 105,603 trees, down 156,000 trees from the same period in 2001. Cumulative non-commercial grove eradication for the January-October period is approximately 18,286 trees, down 30,000 trees from the same period in 2001.

Evolution of Citrus Canker in the State of Sao Paulo, 2002											
Month	Block				Domestic Grove				Nurseries		
	New	Recontamination	Total	Plants Eradic	New	Recontamination	Total	Plants Eradic	New	Total	Plants Eradic
January	11	10	21	3,135	108	88	196	2,273	0	0	0
February	8	15	23	15,344	90	25	115	2,239	0	0	0
March	10	19	29	19,972	22	11	33	2,061	2	2	0
April	18	25	43	15,580	37	10	47	1,265	0	0	51
May	10	16	26	9,122	143	33	176	862	1	1	49,300
June	9	13	22	12,893	72	5	77	886	0	0	0
July	14	11	25	13,617	79	26	105	590	0	0	0
August	5	9	14	7,858	68	39	107	4,373	0	0	0
Sep.	8	9	17	1,295	59	24	83	1,711	0	0	0
October	5	4	9	6,787	22	21	43	2,026	0	0	0
Total	98	131	229	105,603	700	282	982	18,286	3	3	49,351
Source: Sao Paulo State Fund for Defense of Citriculture (FUNDECITRUS).											

The results of the June-August 2002 field survey conducted by Fundecitrus to identify the occurrence of "Sudden Death of Citrus" ("Morte Subita dos Citros" - MSC) in the affected areas in Minas Gerais and northen Sao Paulo , showed that 327,580 citrus trees in 1,286 blocks are affected by the disease. Fundecitrus will conduct a "sweeping process" within the affected area in the near future to keep track of the disease (see BR2014 for mor information about MSC).

Producer's Prices

The Orange Index price series released by the University of São Paulo's College of Agriculture "Luiz de Queiroz" (ESALQ) for both the fresh domestic market and product delivered to orange juice plants in the state of São Paulo follow. Both series track orange prices since September 1994. Prices for the fresh market are for fruit on the tree. Note the significant increase in orange prices in the state of Sao Paulo as of October 2002 as a consequence of lower expected production for MY 2003/04. According to post contacts, new orange contracts with processors have been set in September and October at US$3.00-3.40 per box for the next 3 crops.

Orange Prices received by Producers in the Domestic Market
(Pera Variety, average prices in Reais - R$ 40.8 kg box, fruits on the tree)

Month	1994	1995	1996	1997	1998	1999	2000	2001	2002
Jan	--	4.47	1.74	3.65	4.44	6.70	2.17	4.15	11.29
Feb	--	3.98	1.61	5.29	5.50	8.14	2.61	6.33	10.62
Mar	--	4.84	2.03	5.69	5.67	8.13	4.54	9.97	10.50
Apr	--	5.48	2.70	4.49	4.32	6.15	4.79	9.82	10.07
May	--	3.72	2.42	3.06	3.48	4.33	3.41	8.51	8.86
Jun	--	2.67	2.05	2.44	3.72	3.52	2.22	7.88	8.07
Jul	--	2.52	2.09	2.38	4.31	2.85	2.18	8.31	7.92
Aug	--	2.18	2.25	2.31	5.06	2.25	2.50	9.27	8.45
Sep	3.52	2.18	2.48	2.41	5.24	1.81	2.72	10.34	8.96
Oct	4.41	1.96	2.76	2.80	5.41	1.42	2.75	11.30	10.91
Nov	7.23	1.93	2.82	3.45	5.55	1.29	3.43	11.69	12.68
Dec	5.32	1.66	2.82	4.07	5.87	1.52	3.79	11.62	--

Source: CEPEA/ESALQ
Note: November price reflects average prices during Nov 15 to 21.

Orange Prices paid by Sao Paulo industry - spot market (Pera, Natal, Valencia varieties, average prices in Reais - R$ 40.8 kg box, fruits delivered to the processing plant)

Month	1994	1995	1996	1997	1998	1999	2000	2001	2002
Jan	--	3.03	1.44	2.62	3.24	3.91	1.47	3.98	8.71
Feb	--	2.68	1.29	2.58	3.54	3.89	1.46	5.11	7.19
Mar	--	2.60	1.32	2.50	3.80	3.96	1.61	5.46	6.00
Apr	--	2.36	1.41	2.50	3.80	--	1.80	5.50	5.80
May	--	2.18	1.47	2.50	3.94	--	1.70	5.50	5.04
Jun	--	1.97	1.53	2.50	4.30	--	1.68	--	5.55
Jul	--	1.66	1.81	2.50	4.76	2.72	1.66	6.97	7.75
Aug	--	1.56	1.95	2.50	5.21	2.47	1.58	7.16	8.25
Sep	3.04	1.58	2.11	2.49	5.25	2.06	1.66	7.44	8.49
Oct	2.92	1.54	2.48	2.59	5.19	1.87	2.01	8.08	10.86
Nov	3.06	1.61	2.46	2.83	5.20	1.65	2.48	8.97	11.24
Dec	3.16	1.50	2.50	3.08	4.78	1.52	2.94	9.27	--

Source: CEPEA/ESALQ
Note: November price reflects average prices during Nov 15 to 21.

Consumption

Total Brazilian domestic orange consumption for MY 2003/04 is forecast at 122.5 Mbx, a 2 percent decrease compared to revised estimate for MY 2002/03 (124.5 Mbx), based on updated information provided by post contacts. Note that these figures include actual domestic consumption plus losses from natural drop, harvesting, transportation and packing. Fruit delivered to processors for "not from concentrated (NFC)" orange juice production for the domestic market is also included in these figures. Domestic consumption estimates are taken as the difference between production estimates and the volume of oranges delivered to processors for FCOJ and NFC produced for export.

Trade

ATO/Sao Paulo projects total fresh orange exports for MY 2003/04 at 2.5 Mbx, up 1 Mbx from revised estimate for the current MY, based on recent information from the Brazilian Secretariat of Foreign Trade (SECEX). The table below shows official fresh orange exports (NCM 0805.10.00) by country of destination for MY 1999/00, 2000/01 and 2001/02 (July-June).), according to SECEX.

Fresh Orange Exports by Country of Destination (MT & US$ 1,000 FOB)						
Destination	MY 1999/00		MY 2000/01		MY 2001/02	
	Quantity	Value	Quantity	Value	Quantity	Value
Netherlands	68,235	13,233	46,767	9,559	50,780	10,090
Spain	6,024	1,367	19,063	4,167	29,602	6,248
United Kingdom	8,724	1,670	11,338	1,811	16,872	2,655
Portugal	5,145	1,367	1,130	261	11,351	2,348
U.A.E.	6,555	1,449	4,512	990	9,069	1,860
Greece	0	0	0	0	4,765	916
Kuwait	1,438	296	1,388	300	1,362	279
Indonesia	0	0	344	19	373	82
Saudi Arabia	54	21	167	57	91	25
Switzerland	0	0	3,341	567	90	17
Others	3,202	896	1,712	352	111	28
Total	99,377	20,301	89,763	18,085	124,467	24,547
Source: Brazilian Department of Foreign Trade (SECEX), NCM 0805.10.00						

FCOJ

PS&D Table

PSD Table						
Country	Brazil				Degrees 65 Brix, (MT)	
Commodity	Juice, Orange					
	Revised	2000	Preliminary	2001	Forecast	2002
	Old	New	Old	New	Old	New
Market Year Begin		07/2001		07/2002		07/2003
Deliv. To Processors	9507	9507	12649	13056	0	11424
Beginning Stocks	263000	263000	91000	151000	129000	186000
Production	978000	978000	1269000	1306000	0	1086000
Imports	0	0	0	0	0	0
TOTAL SUPPLY	1241000	1241000	1360000	1457000	129000	1272000
Exports	1135000	1075000	1216000	1256000	0	1136000
Domestic Consumption	15000	15000	15000	15000	0	15000
Ending Stocks	91000	151000	129000	186000	0	121000
TOTAL DISTRIBUTION	1241000	1241000	1360000	1457000	0	1272000

Production

PS&D Tables

The following tables provide PS&D data for the state of São Paulo and total Brazilian frozen concentrated orange juice (FCOJ) for MY 2001/02, 2002/03 and 2003/04 (July-June).

Sao Paulo: FCOJ PS&D (Jul-Jun) (Million 40.8 kg boxes, TMT, 65 degrees brix)			
Item/Marketing Year	2001/02	2002/03	2003/04
(Bloom/Harvest)	(00/01)	(01/02)	(02/03)
Delivered to Processors	220.0	295.0	250.0
Beginning Stocks	263.0	151.0	186.0
Production	953.0	1,270.0	1,050.0
Total Supply	1,216.0	1,421.0	1,236.0
Exports	1,050.0	1,220.0	1,100.0
Domestic Consumption	15.0	15.0	15.0
Ending Stocks	151.0	186.0	121.0
Total Distribution	1,216.0	1,421.0	1,236.0

Brazil: FCOJ PS&D (Jul-Jun) (Million 40.8 kg boxes, TMT, 65 degrees brix)			
Item/Marketing Year	2001/02	2002/03	2003/04
(Bloom/Harvest)	(00/01)	(01/02)	(02/03)
Delivered to Processors	227.0	305.0	260.0
Sao Paulo	220.0	295.0	250.0
Others	7.0	10.0	10.0
Beginning Stocks *	263.0	151.0	186.0
Total Production	978.0	1,306.0	1,086.0
Sao Paulo	953.0	1,270.0	1,050.0
Others	25.0	36.0	36.0
Total Supply	1,241.0	1,457.0	1,272.0
Exports	1,075.0	1,256.0	1,136.0
Sao Paulo	1,050.0	1,220.0	1,100.0
Others	25.0	36.0	36.0
Domestic Consumption	15.0	15.0	15.0
Ending Stocks	151.0	186.0	121.0
Total Distribution	1,241.0	1,457.0	1,272.0
* Sao Paulo stocks.			

General

ATO/Sao Paulo projects total FCOJ production for MY 2003/04 (July-June) at 1.086 million metric tons (mmt), 65 Brix, down 220,000 mt from current season, due to expected lower availability of fruits for processing. The Sao Paulo industry should contribute 1.05 mmt considering that 250 Mbx of oranges are crushed. Other FCOJ producing states are likely to contribute 10 Mbx for crushing and FCOJ production is forecast stable at 36 thousand metric tons (tmt). Note that total oranges delivered for processing could vary depending on the size of the upcoming crop.

Total FCOJ production for MY 2002/03 has been revised upward to 1.306 mmt, up 37 tmt from initial projection. The Sao Paulo industry should crush 295 Mbx, up 5 Mbx from previous estimates. In addition, industrial yields are reported to be above average due to the dry weather that has occurred in citrus growing areas. FCOJ processing plants in states other than Sao Paulo should contribute 36 tmt. The crushing season has moved along well and most companies are likely to finish operations by December or January. Current processors for the Sao Paulo industry include Cutrale, Citrosuco, Citrovita, Cargill, Louis Dreyfus (Coinbra), Bascitrus, Sucorrico and Kiki.

Consumption

Domestic consumption level for MY 2002/03 and 2003/04 are expected to remain stable at 15 tmt, 65 Brix.

Trade

Exports

The ATO/Sao Paulo MY 2002/03 estimate for FCOJ exports is 1.256 mmt, 65 Brix, a 17 percent increase from revised figure for previous MY, due to higher availability of fruits for processing and updated information from post contacts and the Brazilian Secretariat of Foreign Trade (SECEX). Exports from Sao Paulo processing plants should contribute 1.22 mmt, 65 Brix, as opposed to 1.05 mmt from past season. Other states should account for 36 tmt. Increasing demand worldwide, including markets such as China and Russia, and the steady devaluation of the local currency, the Real, are factors supporting Brazilian FCOJ exports. As reported by trade sources, current FCOJ export prices have been set at US$ 1,100 - 1,200 per metric ton (bulk) to Europe, the major destination for the Brazilian product.

ATO/Sao Paulo forecasts total FCOJ exports for MY 2003/04 at 1.136 mmt, 65 Brix, down 120 tmt from the projection for the current season, due to lower availability of fruits for processing. Sao Paulo state should account for 1.1 mmt, while other states should remain stable, contributing 36 tmt.

The table and graph below show official FCOJ exports (NCM 2009.11.00) by country of destination for MY 1999/00, 2000/01 and 2001/02, as reported by the Brazilian Secretariat of Foreign Trade (SECEX).

Frozen Concentrated/Non-Concentrated Orange Juice Exports (MT and US$ 1,000 FOB).

Destination	MY 1999/2000		MY 2000/01		MY 2001/02	
	Quantity	Value	Quantity	Value	Quantity	Value
Belgium	397,778	384,018	380,684	255,717	374,483	266,199
Netherlands	433,190	433,817	472,146	329,697	350,102	276,997
United States	271,583	246,808	195,401	132,538	126,804	94,863
Japan	75,350	71,853	90,546	64,911	73,306	65,769
South Korea	27,534	26,831	20,982	14,939	33,590	28,007
Australia	14,569	13,996	20,446	13,651	17,928	12,598
China	1,960	2,124	5,048	3,545	10,370	8,131
Puerto Rico	9,403	11,101	9,339	8,539	9,726	8,983
Switzerland	1,723	1,678	167	159	7,646	7,138
New Zealand	3,687	3,743	5,174	3,973	5,836	4,412
Chile	2,628	2,957	2,846	2,191	3,201	2,962
Others	56,319	56,930	32,902	23,763	20,634	16,613
Total	1,295,725	1,255,858	1,235,679	853,625	1,033,628	792,672

Source: Brazilian Department of Foreign Trade (SECEX), NCM 2009.11.00.

Stocks

ATO/Sao Paulo ending stocks forecast for MY 2003/04 is 121 tmt, 65 Brix, down 65 tmt from revised figure for current season, due to expected lower availability of oranges for processing, thus reducing FCOJ production

NFC (Not From Concentrated)

There is no official estimate for NFC supply and demand in Brazil. ATO forecasts that approximately 20 Mbx of oranges will be crushed for MY 2003/04 NFC exports, up 5 Mbx from revised figure for MY 2002/03. Note that current PS&D tables consider NFC production for exports as a different entry (see Tables in PS&D section). The table below shows "Orange Juice, Not Concentrated and Brix under 20 " (NCM 2009.12.00) and "Other Orange Juice" (NCM 2009.19.00) exports by country of destination for MY 1999/00, 2000/01 and 2001/02, according to the Brazilian Secretariat of Foreign Trade (SECEX). Note that the category NCM 2009.12.00 was added to the Brazilian Foreign Trade System (SISCOMEX) as of January 1, 2002.

Brazilian Orange Juice Exports, Not Frozen and Brix under 20 (MT and US$ 1,000 FOB)						
Destination	MY 1999/2000		MY 2000/01		MY 2001/02	
	Quantity	Value	Quantity	Value	Quantity	Value
Belgium	0	0	0	0	21,440	4,824
Netherlands	0	0	0	0	1,930	692
Argentina	0	0	0	0	187	79
Chile	0	0	0	0	92	41
Total	0	0	0	0	23,649	5,636
Source: Brazilian Department of Foreign Trade (SECEX), NCM 2009.12.00.						

Brazilian Orange Juice Exports, Others (MT and US$ 1,000 FOB).						
Destination	MY 1999/2000		MY 2000/01		MY 2001/02	
	Quantity	Value	Quantity	Value	Quantity	Value
Belgium	484	107	61,047	13,977	92,582	21,809
Netherlands	3,203	1,081	6,393	1,592	18,107	12,979
United States	0	0	19,272	4,529	12,884	2,900
Argentina	6,045	2,974	7,330	3,672	3,258	1,539
Chile	303	148	419	205	427	221
Angola	2	5	21	9	116	45
Uruguay	149	112	162	126	116	83
Portugal	0	0	33	17	102	46
Spain	0	0	0	0	55	33
Canada	0	0	0	0	52	76
Others	218	96	203	113	137	96
Total	10,404	4,522	94,879	24,239	127,836	39,827
Source: Brazilian Department of Foreign Trade (SECEX), NCM 2009.19.00.						

Policy

On November 7, the Government of Brazil (GOB) requested from the World Trade Organization (WTO) the revision of the European Union (EU) directive (2002/71/CE) issued on August 19, 2002 which reduces by one hundred times the maximum limit of dimethoate residues in grains, feed grains, fruits and vegetables. Dimethoate is an insecticide used for citrus, apples, tomato and wheat. Brazil imports 330 metric tons per year of this product and approximately 80 percent of the total is used for citrus (2 or 3 times every crop year). Brazil claims that the limit set is below the tolerance levels accepted in Brazil and the United States and that it is in discordance with the Codex Alimentarius, the World Health Organization and Food Agricultural Organization mechanism which sets world norms for food products. According to the directive, all imports containing dimethoate above the limit set, can not enter the EU as of January 2003. This could cause a profound impact on Brazilian orange juice exports to the EU, the major destination for the Brazilian product.

Exchange Rate

Exchange Rate (R$/US$1.00 - official rate, last day of period)					
Month	1998	1999	2000	2001	2002
January	1.12	1.92	1.80	1.97	2.42
February	1.13	2.03	1.77	2.04	2.35
March	1.14	1.77	1.75	2.16	2.32
April	1.14	1.66	1.81	2.22	2.36
May	1.15	1.72	1.82	2.36	2.52
June	1.16	1.77	1.80	2.30	2.84
July	1.16	1.79	1.78	2.43	3.43
August	1.18	1.81	1.82	2.55	3.02
September	1.19	1.92	1.84	2.67	3.89
October	1.19	1.95	1.91	2.71	3.65
November	1.20	1.92	1.98	2.53	3.59
December	1.21	1.79	1.96	2.32	--
Source: Gazeta Mercantil					